10223-1

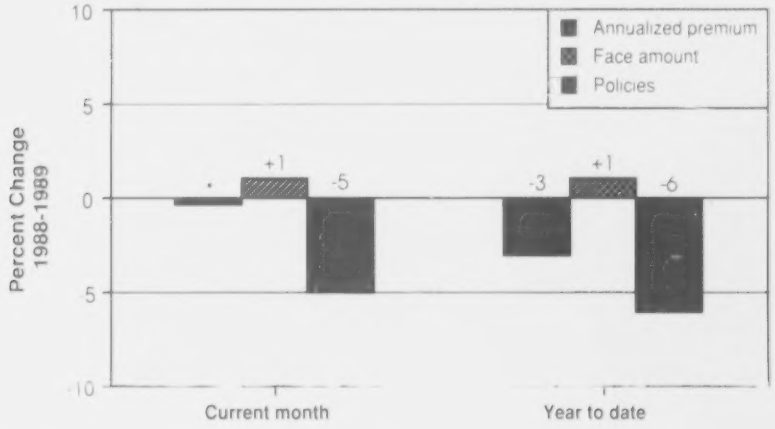
I/R Code 47.40

December 1989

MONTHLY SURVEY OF LIFE INSURANCE SALES IN THE UNITED STATES

Individual Sales

122 Companies

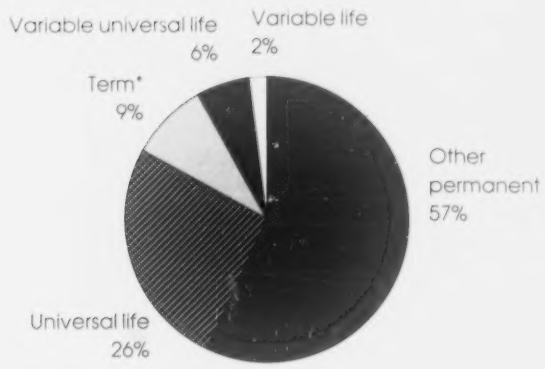


* Less than 1/2 of -1 percent

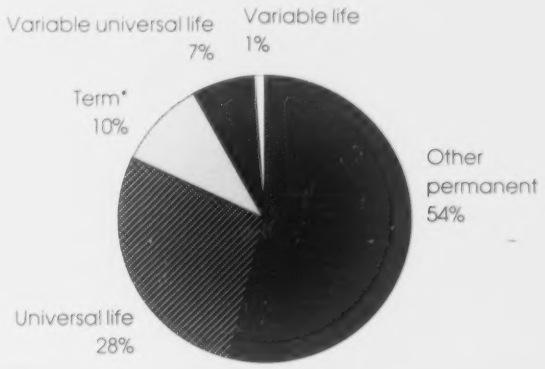
Annualized premium includes 10 percent of single premiums. Some companies report only premium (without corresponding face amount) for single premium paid-up addition riders.

Annualized Premium Market Share by Product

Current Month



Prior 12 Months (December 1988 – November 1989)



*Estimated based on 86 companies

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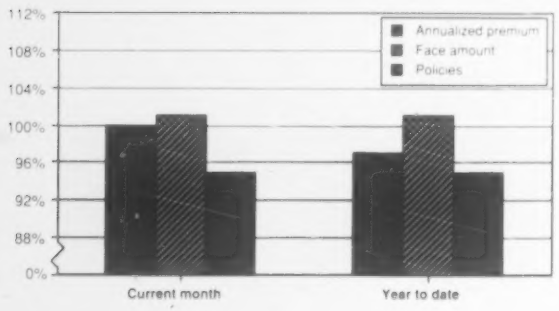
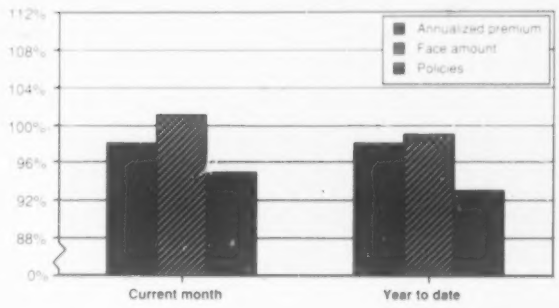
111 Ordinary Companies and Departments

Ratio 1989/1988



17 Home Service Companies and Departments

Ratio 1989/1988



Policy Characteristics – All Companies

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Total home service companies and departments	$15.59	$ 13,940	$ 217
Total ordinary companies and departments	$ 9.31	$ 95,414	$ 889
Total sales	$ 9.67	$ 71,536	$ 692

Policy Characteristics by Product

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Term (86 cos.)	$ 2.56	$ 161,985	$ 414
Universal life (106 cos.)	$10.65	$ 94,722	$ 1,009
Variable life (18 cos.)	$13.28	$ 87,648	$ 1,164
Variable universal life (28 cos.)	$12.33	$ 100,749	$ 1,242
Other permanent* (84 cos.)	$16.89	$ 38,653	$ 653

*Includes current-assumption whole life

Sales Comparisons with Last Year

Year to Date Ratio 1989/1988

	Annualized premium	Face amount	Number of policies
Term (86 cos.)	99%	100%	94%
Universal life (106 cos.)	102%	102%	98%
Variable life (18 cos.)	54%	72%	58%
Variable universal Life (28 cos.)	85%	89%	96%
Other permanent* (84 cos.)	94%	101%	92%

*Includes current-assumption whole life

Single Premium vs. Periodic Premium

(in thousands)

	Single premium (full value)			Annualized premium (excluding single)		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
Month	$ 195,493	$ 95,922	49%	$ 684,928	$ 692,679	101%
Year to date	$ 3,361,705	$ 1,017,120	30%	$ 5,908,389	$ 5,944,091	101%

Universal Life

Interest Rates This Month

Median	8.5%
Range	6.9% - 10.0%
Range of middle 50%	8.2% - 9.0%
Number of companies reporting	95
Number of plans reported	283

Contributors' Growth Rates

Change in Annualized Premium
Year to Date

Percent change 1988 - 1989	Number of . . . Ordinary cos./depts.	Home service cos./depts.
21% or over	16	0
11% – 20%	14	1
1% – 10%	27	7
-9% – 0	28	5
-19% – -10%	14	4
-20% or under	12	0

December Sales*

	Annualized premium+ (000)			Face amount (000)			Number of policies		
122 Companies									
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
January	$ 404,048	$ 418,150	103%	$ 38,939,181	$ 41,907,303	108%	593,848	596,645	100%
February	479,551	434,671	91	47,753,656	45,859,367	96	768,913	683,644	89
March	555,728	534,035	96	55,496,033	55,733,290	100	896,854	815,883	91
April	524,433	477,206	91	51,696,548	50,544,057	98	792,783	743,985	94
May	520,065	517,727	100	51,492,361	53,752,562	104	782,297	769,122	98
June	539,285	521,702	97	53,351,194	54,150,741	101	808,356	760,246	94
July	482,916	443,850	92	47,389,837	46,203,483	97	702,547	646,280	92
August	522,904	497,547	95	52,206,203	52,548,580	101	778,355	727,302	93
September	512,260	483,663	94	50,743,083	49,966,341	98	757,228	716,006	95
October	490,097	505,145	103	51,190,763	53,699,568	105	760,849	753,379	99
November	508,795	509,836	100	52,466,783	53,930,638	103	766,218	719,891	94
December	704,477	702,271	100	65,869,162	66,807,819	101	850,278	805,914	95
Year total	$6,244,559	$6,045,803	97%	$618,594,824	$625,103,749	101%	9,258,526	8,738,297	94%
111 Ordinary Companies and Departments									
Month	$ 657,078	$ 655,770	100%	$ 62,917,173	$ 63,839,668	101%	631,776	598,388	95%
Year total	$5,677,968	$5,489,125	97%	$582,586,455	$589,403,582	101%	6,516,229	6,177,308	95%
17 Home Service Companies and Departments									
Month	$ 47,399	$ 46,501	98%	$ 2,951,989	$ 2,968,151	101%	218,502	207,526	95%
Year total	$ 566,591	$ 556,678	98%	$ 36,008,369	$ 35,700,167	99%	2,742,297	2,560,989	93%

+Includes 10 percent of single premiums
*Excludes $210 million of corporate-owned life insurance premiums reported in 1988 and $297 million reported in 1989.

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance — face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration) and products without insurance (such as annuities). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 122 companies — and their 56 subsidiary companies — operating in the United States. These contributors represent 61 percent of the 1987 United States ordinary volume sold and 69 percent of 1987 *first-year collected* premiums. Since no industry data are available on total *annualized* new ordinary premiums, the proportion of annualized premiums represented by these contributors cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

Company corrections are incorporated on a monthly basis to provide contributors with the most up-to-date information.

Project Directors:
Elaine F. Tumicki, CLU, ChFC
Andrea L. Sohacki
Staff:
Susan M. Rosenberger
Ellen M. Bush
Diane Stefanik

—Market Research
Life Insurance Marketing and Research Association, Inc.
P.O. Box 208, Hartford, Connecticut 06141

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I/R Code 47.40
December 1989

SUPPLEMENT TO MONTHLY SURVEY OF LIFE INSURANCE SALES IN THE UNITED STATES

Ordinary Sales Revised Through December 1989

Large-case Corporate-owned Life Insurance (excluded from the survey)

(Sales results of three companies)

	Annualized premium (000)		Face amount (000)		Number of policies	
	1988	1989	1988	1989	1988	1989
First quarter	$ 13,570	$ 70,010	$ 171,934	$ 1,752,254	1,357	7,057
Second quarter	34,180	106,040	138,634	3,905,095	2,050	11,847
Third quarter	158,677	88,345	1,202,511	2,065,758	19,795	12,061
Fourth quarter	3,509	32,592	72,199	1,458,995	152	2,966
Year total	$ 209,936	$ 296,987	$ 1,585,278	$ 9,182,102	23,354	33,931

Total Single Premium (000)

	1988	1989	Ratio 89/88
January	$ 330,772	$ 106,459	32%
February	344,391	86,537	25
March	378,631	98,138	26
April	328,469	78,254	24
May	307,885	87,553	28
June	344,721	84,066	24
July	302,656	68,875	23
August	282,648	78,048	28
September	216,684	70,059	32
October	174,022	72,643	42
November	155,333	90,566	58
December	195,493	95,922	49
Year total	$3,361,705	$1,017,120	30%

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111 Ordinary Companies and Departments

	Annualized premium (000)			Face amount (000)			Number of policies		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
January	$ 366,741	$ 379,581	104%	$ 36,673,500	$ 39,479,060	108%	403,144	412,338	102%
February	431,310	391,068	91	44,843,267	43,085,602	96	527,312	478,813	91
March	500,455	483,878	97	52,032,217	52,458,141	101	623,932	584,670	94
April	476,174	429,747	90	48,645,318	47,459,153	98	556,970	525,060	94
May	470,107	466,411	99	48,345,189	50,469,730	104	536,834	535,870	100
June	488,714	473,649	97	50,102,378	51,061,647	102	566,902	545,399	96
July	439,803	400,407	91	44,613,891	43,481,256	97	495,148	447,917	90
August	475,222	450,299	95	49,125,840	49,492,463	101	545,968	508,735	93
September	465,493	437,359	94	47,703,223	47,020,151	99	536,437	500,055	93
October	443,280	455,849	103	48,097,779	50,508,089	105	539,709	523,341	97
November	463,591	465,107	100	49,486,680	51,048,622	103	552,097	516,722	94
December	657,078	655,770	100	62,917,173	63,839,668	101	631,776	598,388	95
Year total	$5,677,968	$5,489,125	97%	$582,586,455	$589,403,582	101%	6,516,229	6,177,308	95%

17 Home Service Companies and Departments

	Annualized premium (000)			Face amount (000)			Number of policies		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
January	$ 37,307	$ 38,569	103%	$ 2,265,681	$ 2,428,243	107%	190,704	184,307	97%
February	48,241	43,603	90	2,910,389	2,773,765	95	241,601	204,831	85
March	55,273	50,157	91	3,463,816	3,275,149	95	272,922	231,213	85
April	48,259	47,459	98	3,051,230	3,084,904	101	235,813	218,925	93
May	49,958	51,316	103	3,147,172	3,282,832	104	245,463	233,252	95
June	50,571	48,053	95	3,248,816	3,089,094	95	241,454	214,847	89
July	43,113	43,443	101	2,775,946	2,722,227	98	207,399	198,363	96
August	47,682	47,248	99	3,080,363	3,056,117	99	232,387	218,567	94
September	46,767	46,304	99	3,039,860	2,946,190	97	220,791	215,951	98
October	46,817	49,296	105	3,093,004	3,191,479	103	221,140	230,038	104
November	45,204	44,729	99	2,980,103	2,882,016	97	214,121	203,169	95
December	47,399	46,501	98	2,951,989	2,968,151	101	218,502	207,526	95
Year total	$ 566,591	$ 556,678	98%	$ 36,008,369	$ 35,700,167	99%	2,742,297	2,560,989	93%